

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MICHIGAN**

In re: **BARFLY VENTURES, LLC, et al.**,¹

Case No. 20-1947-jwb
Reporting Period: May 31, 2021

MONTHLY OPERATING REPORT

File with Court and submit copy to United States Trustee within 20 days after end of month.

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Affidavit/Supplement Attached
Schedule of Cash Receipts and Disbursements	MOR-1	MOR 1 - Disbursements		
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a	X		
Schedule of Professional Fees Paid	MOR-1b	X		
Copies of bank statements		MOR 1a		
Cash disbursements journals				
Statement of Operations	MOR-2	X		
Balance Sheet	MOR-3		X	
Status of Postpetition Taxes	MOR-4	N/A		
Copies of IRS Form 6123 or payment receipt				
Copies of tax returns filed during reporting period				
Summary of Unpaid Postpetition Debts	MOR-4	N/A		
Listing of aged accounts payable	MOR-4	N/A		
Accounts Receivable Reconciliation and Aging	MOR-5	N/A		
Debtor Questionnaire	MOR-5	X		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Signature of Debtor_____
Date_____
Signature of Joint Debtor_____
Date


5.13.21

Signature of Authorized Individual*_____
Date

Ned Lidvall

CEO

Printed Name of Authorized Individual_____
Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

1- The Debtors are: Barfly Ventures, LLC (8379), Barfly Management, LLC (6274), 9 Volt, LLC (d/b/a HopCat)(1129), 50 Amp Fuse, LLC (d/b/a Stella's Lounge)(3684), GRBC Holdings, LLC (d/b/a Grand Rapids Brewing Company)(2130), E L Brewpub, LLC (d/b/a HopCat East Lansing)(5334), HopCat-Ann Arbor, LLC (5229), HopCat-Chicago, LLC (7552), HopCatConcessions, LLC (2597), HopCat-Detroit, LLC (8519), HopCat-GR Beltline, LLC (9149), HopCat-Holland, LLC (7132), HopCat-Indianapolis, LLC (d/b/a HopCat-Broad Ripple)(7970), HopCat-Kalamazoo, LLC (8992), HopCat-Kansas City, LLC (d/b/a HopCat-KC, LLC and Tikicat)(6242), HopCat-Lexington, LLC (6748), HopCat-Lincoln, LLC (2999), HopCatLouisville, LLC (0252), HopCat-Madison, LLC (9108), HopCat-Minneapolis, LLC (8622), HopCat-Port St. Lucie, LLC (0616), HopCat-Royal Oak, LLC (1935), HopCat-St. Louis, LLC (6994), Luck of the Irish, LLC (d/b/a The Waldron Public House, LLC and McFadden's Restaurant Saloon)(4255).

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SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1). Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CONT)]

	BANK ACCOUNTS				CURRENT MONTH		CUMULATIVE FILING TO DATE	
	OPER.	PAYROLL	TAX	OTHER	ACTUAL	PROJECTED	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH								
RECEIPTS								
CASH SALES								
ACCOUNTS RECEIVABLE								
LOANS AND ADVANCES								
SALE OF ASSETS								
OTHER (ATTACH LIST)								
TRANSFERS (FROM DIP ACCTS)								
TOTAL RECEIPTS								
DISBURSEMENTS								
NET PAYROLL								
PAYROLL TAXES								
SALES, USE, & OTHER TAXES								
INVENTORY PURCHASES								
SECURED/ RENTAL/ LEASES								
INSURANCE								
ADMINISTRATIVE								
SELLING								
OTHER (ATTACH LIST)								
OWNER DRAW *								
TRANSFERS (TO DIP ACCTS)								
PROFESSIONAL FEES								
U.S. TRUSTEE QUARTERLY FEES								
COURT COSTS								
TOTAL DISBURSEMENTS								
NET CASH FLOW								
(RECEIPTS LESS DISBURSEMENTS)								
CASH - END OF MONTH								

* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)	
TOTAL DISBURSEMENTS	\$
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS	\$
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	\$
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	\$

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MOR 1 - Disbursements

	Beginning Balance BS 4/30/2021	In-transit (deposits/ x- fer/dish.)	Deposits	Disbursements	X-Fer Out	X-fer In	X-fer to Buyer	Chargebacks	Service Charges & Other	Ending Bank Balance 5/ /2021	Ending Balance BS 5/ /2021	Bank Stmt	Diff.
Chemical 5015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Chemical 5608	\$ 14,762	\$ -	\$ -	\$ -	\$ (14,762)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Chemical 7488	\$ 434,058	\$ -	\$ -	\$ -	\$ (448,822)	\$ 14,762	\$ -	\$ -	\$ 2	\$ (0)	\$ (0)	(0.00)	(0.00)
Chemical 5554	\$ 474,936	\$ -	\$ -	\$ (964,705)	\$ -	\$ 489,769	\$ -	\$ -	\$ -	\$ (0)	\$ (0)	(0.04)	(0.04)
Main Mercantile 4777	\$ 41,595	\$ -	\$ -	\$ (648)	\$ (40,947)	\$ -	\$ -	\$ -	\$ -	\$ 0	\$ 0	0.30	0.30
Mercantile 6311	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Mercantile 6926	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
FSA-Mercantile 0888	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
GRBC-Mercantile 1069	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
AA-Mercantile 3877	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
GRbel-Mercantile 0488	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
HCBR 3840	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
HC Detroit 3859	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
HC EL 8171	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
HCGR 4123	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
HCHOL 0451	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
HCKC 9044	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
HCKZ 9227	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
HCLN 0830	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
HCLV 8353	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
HCLX 5216	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
HCMD 8215	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
HCMN 8664	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
HCRO 9062	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Stellas 4115	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Waldron4460	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
HCCHIC6863	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
HCLIN8959	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
BFV4153	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
BFV9371	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
BFV9828	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Cash on hand & misc.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Total	\$ 965,351	\$ -	\$ -	\$ (965,353)	\$ (504,531)	\$ 504,531	\$ -	\$ -	\$ 2	\$ 0	\$ 0	-	\$ 0

UST Fees

Disbursements for the period	\$ 965,353
Rate effective April 2021	0.80%
	\$ 7,722.82

[illegible]

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Case No. 20-1947-jwb
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SCHEDULE OF PROFESSIONAL FEES AND EXPENSES PAID

This schedule is to include all retained professional payments from case inception to current month.

[illegible]

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Case No. 20-1947-jwb
 Reporting Period: May 31, 2021

STATEMENT OF OPERATIONS

(Income Statement)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

	Current Reporting Month	Cumulative Filing to Date
REVENUES		
Gross Revenues		8,445,922
Less: Returns and Allowances		266,160
Net Revenue		8,179,762
COST OF GOODS SOLD		
Beginning Inventory		
Add: Purchases		
Add: Cost of Labor		
Add: Other Costs (attach schedule)		
Less: Ending Inventory		
Cost of Goods Sold		2,075,402
		6,104,360
OPERATING EXPENSES		
Cure Costs		508,081
Employee Benefits Programs		386,404
Insider Compensation*		
Insurance		
Management Fees/Bonuses		
Office Expense		
Pension & Profit-Sharing Plans		
Repairs and Maintenance		14,828
Rent and Lease Expense		2,075,725
Salaries/Commissions/Fees		3,420,137
Supplies		
Taxes - Payroll		
Taxes - Real Estate		
Taxes - Other		
Travel and Entertainment		
Utilities		8,180
Misc	648	2,719,038
Total Operating Expenses Before Depreciation	648	9,132,393
Depreciation/Depletion/Amortization		2,249,155
Net Profit (Loss) Before Other Income & Expenses	(648)	(5,277,188)
OTHER INCOME AND EXPENSES		
Other Income (attach schedule)		(73,363)
Interest Expense		1,458,001
Other Expense (See attached schedule) "Other G&A"		417,527
Net Profit (Loss) Before Reorganization Items	(648)	(7,079,353)
REORGANIZATION ITEMS		
Professional Fees	400,327	1,722,073
Impairment		186,130
U. S. Trustee Quarterly Fees	9,434	173,613
Interest Earned on Accumulated Cash from Chapter 11 (see continuation sheet)		
D&O Tail	300,000	300,000
Other Reorganization Expenses (returned to Buyer and final tax return fees)	254,944	986,105
Total Reorganization Expenses		
Income Taxes		
Net Profit (Loss)	(\$965,353)	(10,447,274)

*"Insider" is defined in 11 U.S.C. Section 101(31).

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Case No. 20-1947-jwb
Reporting Period: May 31, 2021

BALANCE SHEET ²

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from postpetition obligations.

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
CURRENT ASSETS		
Unrestricted Cash and Equivalents		\$6,661,689
Restricted Cash and Cash Equivalents (see continuation sheet)		
Accounts Receivable (Net)		\$36,786
Notes Receivable		
Inventories		\$628,379
Prepaid Expenses		\$385,740
Professional Retainers		
Other Current Assets (attach schedule)		
TOTAL CURRENT ASSETS		\$7,712,594
PROPERTY AND EQUIPMENT		
Real Property and Improvements		
Machinery and Equipment		\$21,414,637
Furniture, Fixtures and Office Equipment		
Leasehold Improvements		
Vehicles		
Less Accumulated Depreciation		
TOTAL PROPERTY & EQUIPMENT		\$21,414,637
OTHER ASSETS		
Loans to Insiders* ¹		\$0
Other Assets (attach schedule)		\$57,662
TOTAL OTHER ASSETS		\$57,662
TOTAL ASSETS		\$29,984,893

LIABILITIES AND OWNER EQUITY	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)		
Accounts Payable		
Taxes Payable (refer to FORM MOR-4)		
Wages Payable		
Accrued Liabilities (see schedule)		
Deferred Lease Credits		
Secured Debt / Leases Obligations (Post Petition Interest)		
Professional Fees		
Amounts Due to Insiders*		
Other Postpetition Liabilities (attach schedule)		
TOTAL POSTPETITION LIABILITIES		
LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition)		
Secured Debt		\$29,729,084
Priority Debt		
Unsecured Debt		
Accounts Payable		5,154,857
PPP Loan		6,482,827
Accrued Liabilities (see schedule)		1,412,643
Other Liabilities (see schedule)		185,318
Deferred Lease Credits		10,065,439
TOTAL PRE-PETITION LIABILITIES		\$53,030,168
TOTAL LIABILITIES		\$53,030,168
OWNER EQUITY		
Member Activity		\$16,495,173
Additional Paid-In Capital		
Partners' Capital Account		
Owner's Equity Account		
Retained Earnings		(31,611,871)
Adjustments to Owner Equity (attach schedule)		
Net Income		(7,928,577)
NET OWNER EQUITY		(23,045,275)
TOTAL LIABILITIES AND OWNERS' EQUITY		\$29,984,893

**Insider" is defined in 11 U.S.C. Section 101(31).

¹ - At December 31, 2018, the Company had unsecured, noninterest bearing advances due from a member in the amount of \$1,554,059

² - As of the sale transaction date the Debtor's only asset was cash as reported on MOR 1 Disbursements.

In re: **BARFLY VENTURES, LLC, et al.**
Debtor

Case No. 20-1947-jwb
 Reporting Period: May 31, 2021

STATUS OF POSTPETITION TAXES

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.
 Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes.
 Attach photocopies of any tax returns filed during the reporting period.

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Date Paid	Check No. or EFT	Ending Tax Liability
Federal						
Withholding						
FICA-Employee		N/A				
FICA-Employer						
Unemployment						
Income						
Other:						
Total Federal Taxes						
State and Local						
Withholding						
Sales						
Excise						
Unemployment						
Real Property						
Personal Property						
Other:						
Total State and Local						
Total Taxes						

SUMMARY OF UNPAID POSTPETITION DEBTS

Attach aged listing of accounts payable.

	Number of Days Past Due					Total
	Current	0-30	31-60	61-90	Over 90	
Accounts Payable						\$0
Wages Payable						
Taxes Payable						
Rent/Leases-Building						
Rent/Leases-Equipment						
Secured Debt/Adequate Protection Payments						
Professional Fees						
Amounts Due to Insiders*						
Other:						
Other:						
Total Postpetition Debts	\$0	\$0	\$0	\$0	\$0	\$0

Explain how and when the Debtor intends to pay any past-due postpetition debts.

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Case No. 20-1947-jwb
 Reporting Period: May 31, 2021

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation		Amount
Total Accounts Receivable at the beginning of the reporting period		
+ Amounts billed during the period		
- Amounts collected during the period		
Total Accounts Receivable at the end of the reporting period		
Accounts Receivable Aging		Amount
0 - 30 days old		
31 - 60 days old		
61 - 90 days old		
91+ days old		
Total Accounts Receivable		
Amount considered uncollectible (Bad Debt)		
Accounts Receivable (Net)		

DEBTOR QUESTIONNAIRE

Must be completed each month	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.		X
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	X	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	X	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.		X

Debtor Questionnaire explanation.